

R590. Insurance, Administration. Effective 10-1-96**R590-142. Continuing Education Rule.****R590-142-1. Purpose.**

The purpose of this rule is to implement the requirements of Sections 31A-23-206 and 31A-26-206.

R590-142-2. Scope.

This rule applies to all licensees under Subsection 31A-23-204(1). This rule also applies to all adjusters under Subsection 31A-26-204.

R590-142-3. Definitions.

A. Actual Class Attendance - Actual class attendance, consisting of two or more students with a live instructor. The instructor must be able to present the class material and respond to questions from the attendees.

B. Applicant - Anyone who seeks to renew an insurance license who is subject to this rule.

C. Classroom Hours - One classroom hour is at least 50 minutes of instruction. A classroom hour shall consist of actual class attendance.

D. Designated Course - A course of instruction which is approved for continuing education credit by the Insurance Department.

E. Equivalent of Classroom Hours - That amount of time which is assigned to a course by the Insurance Department to satisfy the requirements of this rule. Assignment of value shall be made on the basis of content, presentation, and format.

F. Exempt Applicant - A licensee or applicant for renewal of a license who, as of April 1, 1990, had completed 20 years of continuous licensure in good standing.

G. Home Study - An approved course of study offered to satisfy the requirements of this rule which can be completed without actual class attendance. Evidence of satisfactory completion must be verified in writing by the provider. For the purposes of this rule, satellite television broadcast and similar presentations are deemed to be home study courses.

H. Insurance Related Instruction - Those subjects designated in Subsection 4(A) through (E) of this rule and others which may, from time to time, be designated by the Insurance Department.

I. Nonprofit Provider - An organization which fits the definition of nonprofit corporation as defined in Title 16, Chapter 6.

J. Provider - Any person who offers a course, program or class for credit to an applicant to satisfy the requirements of this rule.

K. Video Tapes - Approved video tapes offered to satisfy the requirements of this rule. Video tapes may not satisfy the requirements for actual class attendance.

R590-142-4. Rule.

A. The number of hours of continuing education required to be presented biennially as a prerequisite to license renewal or reissuance shall be 12 hours. Not more than 6 hours of this requirement shall be satisfied by courses provided by insurers for whom the licensee is associated.

B. Upon renewal of a license, no continuing education hours in excess of the

number required to renew the license may be carried over or applied to any subsequent licensing period, nor may a licensee repeat for credit any course of study that has been taken and credit allowed for a previous license period.

C. If the home state of a nonresident licensee is determined to have a continuing education requirement substantially similar to that of Utah, compliance with the home state's continuing education requirement may be accepted as meeting Utah's requirement.

R590-142-5. Program Requirements.

A. The Insurance Department shall:

1. approve or disapprove programs according to the standards of this rule;
2. consider applications for approval as designated courses under this section;
3. assign the number of continuing education hours to be awarded to programs that are approved; and
4. consider other related matters as the commissioner may assign.

B. Materials submitted by providers to the Insurance Department to satisfy this rule shall be deemed confidential.

C. All courses and programs must be submitted to and approved by the Insurance Department at least 14 days prior to being offered except that post approval of a course may be granted by the Insurance Department upon the licensee's submission of a written request and supporting documentation of the course attended, in accordance with Subsection E.

D. The provider seeking course and credit hours approval shall have the responsibility for providing:

1. sufficient supporting materials regarding course content and hours to permit the Insurance Department to make a determination; and
2. a Certification to the Insurance Department of Completion of Course, Exhibit D, signed by the authorized representative in charge of the course certifying licensee attendance at, and completion of, the course.

E. The following general subjects are acceptable as long as they contribute to the knowledge and professional competence of an individual licensee as an agent, broker and adjuster, and demonstrate a direct and specific application to insurance:

1. insurance, annuities, investments associated with insurance products and risk management;
2. insurance laws and rules;
3. mathematics, statistics, and probability;
4. economics;
5. law;
6. finance;
7. taxes;
8. business environment, management, or organization; and
9. ethical considerations in insurance marketing.

Areas other than those listed above may be acceptable if the licensee can demonstrate that they contribute to professional competence and otherwise meet the standards set forth in this rule. The responsibility for substantiating that a particular program meets the requirements of this rule rests solely upon the licensee.

F. Programs which do not qualify:

1. committee service or professional organizations;
2. computer training and software presentations;

3. motivation, psychology, or sales training courses;
4. securities, other than variable annuities; and
5. any program not in accordance with this rule.

G. Standards for Continuing Education Programs. In order to qualify for credit, the following standards must be met by all continuing education programs:

1. Program Development. The program must have significant intellectual or practical content to enhance and improve the insurance knowledge and professional competence of participants, and the program must be developed by persons who are qualified in the subject matter and instructional design. The program content must be up to date.

2. Program Presentations. Instructors must be qualified, both with respect to program content and teaching methods. Instructors will be considered qualified if, through formal training or experience, they have obtained sufficient knowledge to instruct the course competently. The number of participants and physical facilities must be consistent with the teaching method specified. All programs must include some means for evaluating quality.

3. Statutory Requirements. Continuing education programs must be in compliance with the Americans With Disabilities Act to enable licensees with a physical or mental disability to complete continuing education requirements.

R590-142-6. Approved Programs of Study.

A. An annual administrative assessment paid by the providers shall be used to fund the expenses for processing applications and auditing approved programs.

B. A waiver of assessment for a nonprofit provider may be considered by the Insurance Department for good cause shown. A request for a waiver of assessment by a nonprofit provider may be submitted with the application for course approval.

C. A Provider Application, Exhibit A, and Course Description form, Exhibit B, must be submitted for each individual course being submitted for credit.

D. Upon receipt of the material, the Insurance Department will approve or deny the course or program as qualifying for credit and indicate the number of hours that will be awarded for approved subjects. In cases of denial, the Insurance Department will furnish a written explanation of the reason for the action.

E. Certification of a program may be effective until substantial changes are made in the program, after which it must be resubmitted to the Insurance Department for its review and approval.

R590-142-7. Controls and Reporting.

A. Within 60 days of completion of a class, program or course of study, the provider shall furnish Certification to the Insurance Department of Completion of Course, Exhibit D, and shall furnish to all attendees successfully completing the course Certificate of Completion, Exhibit C. The provider is required to keep a copy of attendance rosters on file for a period of at least two years.

B. Biennially, on even numbered years, the licensee shall submit the original of Exhibit C to the Insurance Department along with a license renewal card and renewal fees and continuing education certification fees.

C. An exempt applicant shall submit the original of the Certificate of Exemption to the Insurance Department with a license renewal card and renewal fees. Proof supporting a request for exemption shall be attached to the Certificate of Exemption. Once an exemption has been approved by the Insurance Department

no additional continuing education filing or continuing education fees are required to be made by the licensee for subsequent renewals.

D. Biennially, on even numbered years, a nonresident licensee who has complied with the continuing education requirements in the individual's home state shall provide to the Insurance Department a current letter of certification, not dated over 90 days, along with a license renewal card and renewal fees. If the nonresident licensee's home state does not have a continuing education requirement, the nonresident licensee must comply with Utah's requirement.

R590-142-8. Provider Loss of Certification.

A. The certification of a program may be suspended by the Insurance Department if it determines that:

1. the program teaching method or program content no longer meet the standards of this rule, or has been significantly changed without notice to the Insurance Department for its recertification; or
2. an individual had completed the program in accordance with the standards furnished for certification or completion of the program, when in fact the individual has not done so; or
3. individuals who have satisfactorily completed the program of study in accordance with the standards furnished for certification or completion were not so certified by the program or instructor; or
4. the instructor or provider is not qualified as per the standards of this rule, has had an insurance license revoked, or lacks education or experience in the subject matter of the proposed course; or
5. there is other good cause why certification should be suspended.

B. Reinstatement of a suspended certification will be made upon the furnishing of proof satisfactory to the Insurance Department that the conditions responsible for the suspension have been corrected.

R590-142-9. Credit for Service as Lecturer, Discussion Leader, or Speaker.

Approved instructors of continuing education courses will receive twice the number of credit hours allocated by the Insurance Department for courses they instruct. Credit for instruction of a course will be granted once for each course instructed and not for successive presentations.

R590-142-10. Penalties.

A. A licensee who fails to complete the requirements of this rule shall be subject to the penalties provided in Section 31A-23-216.

B. A provider who offers any education program or material for credit that does not comport with the requirements of this rule, or otherwise violates any provision of this rule, shall be subject to the penalties provided in Section 31A-2-308.

KEY: insurance law
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